MRAC - CD ACCOUNTS

Early in February 1995 our Wauwatosa Bank CD, in the amount of about $ 13,500.00, will terminate. It will automatically re-new, at a much lower interest rate, unless we do something else.

As Treasurer, I recommend that we do this:

Purchase 4 - $3000.00 CD's that have staggered termination dates:

* one for 6 months
* one for 9 months
* one for 12 months
* one for 15 months.

This strategy will allow us to take advantage of any increases in interest rates. It also better protects our cash flow needs (if any) from early withdrawal penalties.

These 4 CD's total $12,000.00 leaving $ 1500.00 that I recommend putting into a Money Market account. This type account normally draws more interest than our regular Checking account and has no withdrawal penalty, thus becoming an immediate cash flow reserve.

The club also has the Waring Fund account of about $ 662.00. I recommend we do something with this , now.

Orv Stewart - KA9ONQ
Treasurer - MRAC

Aug. 22,1994